

Helping a Business Grow — From the Start

Clark Specialty Grains, LLC is a food grade specialty corn cleaning facility in Gothenburg, Nebraska. The business specializes in non-gmo and organic corn, including yellow, white, blue, and pink corn which is sold to chip companies across the United States. Expansion of the uses and efficiencies of the facility was needed due to an increase in corn contracts.

Jim Clark started the business in 2002, and in 2003 received a \$17,500 planning grant through USDA Rural Development's Value Added Producer Grant (VAPG) program to assist with the costs of a feasibility study and business plan. Once completed, Clark Specialty Grains, LLC became formally organized. The business started working with local growers across Nebraska to supply the corn needs in the tortilla chip industry, while helping growers realize a premium for their crops. In 2007, Clark Specialty Grains, LLC utilized the VAPG program for a \$300,000 working capital grant that helped to increase the business' marketing, inventory and overall sales. Since then, the business has grown to sell specialty food grain corn to 11 different chip manufacturers and has completed an expansion. USDA Rural Development later provided two Business & Industry Guaranteed (B&I) Loans totaling \$1,834,000 which assisted Clark Specialty Grains, LLC's lender to refinance the business' existing debt, held by another bank, for real estate and facility purposes, additional working capital, and the purchasing of additional equipment to increase efficiencies of the on site operations. The equipment allowed it to handle larger amounts of corn to fulfill additional contracts.



Facility

The B&I loans with Great Western Bank increased the business' annual cash flow, reduced annual principal and interest payments by \$25,000 annually, and purchased additional corn acres for the business' operations. By building a relationship with a local lender, the business now has more flexibility in managing its expenses. The business has set up an Accounts Receivables line of credit that allows it to receive payments in two to three days compared to the 45 days that it was experiencing. The line of credit allows it to manage its cash and not have to manage accounts receivables. In 2016, Clark Specialty Grains, LLC has been able to obtain a new \$5.8 million contract with Shearers Snack. The business is now approved as a Non-GMO supplier, which means that its product and sales volume will increase. According to Ken Roseboro, the editor of "The Organic and Non-GMO Report", Clark Specialty Grains, LLC was the first corn supply company in the United States to receive the "Non-GMO project" status. Clark Specialty Grains LLC recently became approved as a PepsiCo, Bunge, Azteca, and General Mills approved vendor.

With the USDA loans, Clark Specialty Grains LLC saved six jobs in the Gothenburg area. With the addition of new contracts, the business established another company position.

Obligation Amount:	\$1,834,000 B&I Guarantees (2)	(2007) VAPG \$300,000 (2003) VAPG \$17,500
Date of Obligation:	4/9/2013 & 6/24/16	
Congressional District:	Smith-03; Fischer and Sasse	
Partners:	Great Western Bank	
Demographics:	Population 3,600. Business, corn producers, job positions.	
Impact:	Business growth, job creation, saving of jobs.	